

1 (Part IV).

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Contras

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The Reagan Administration created the Nicaraguan *contras* and now appears to have fatally injured them. Through its obsessive need to control, manipulate and direct all their leaders and all their activities, this cherished force may disappear.

Ironically, while the Administration has risked possibly illegal steps to keep the guerrillas armed during a recent congressional ban on direct military aid, continued political interference by the White House, State Department and Central Intelligence Agency—to keep the rebels obediently in line—undermined the whole effort.

Now the *contras'* political leadership is on the verge of collapse with the sudden resignation of Arturo Cruz, a liberal-minded member of the rebel directorate, as Congress prepared, begrudgingly, for the next installment of *contra* funding. Cruz resigned in protest against the U.S. interference and his own inability to introduce *contra* reforms.

This month, *contra* political chiefs were testifying before federal investigators concerning secret operations undertaken on their behalf by Lt. Col. Oliver L. North and his associates. Their testimony, including submission of bank records, is likely to throw additional light on the Iran-*contra* scandal and could lead to criminal prosecutions against current and former Administration officials.

The *contra* leaders' willingness to testify comes from bitterness—what they claim has been cavalier treatment by high-ranking gringos. Many of them feel used by the United States for its own ends. The extent of disarray among the top *contras* comes clear from a month-long series of interviews with American officials, past and present, rebel leaders and other Nicaraguans in Washington, Miami and New York. A new picture emerges:

The two-year congressional ban on direct U.S. military assistance to the *contras*—between October, 1984, and October, 1986—was the best thing that ever happened to the guerrillas that President Reagan described as "freedom fighters." During that period, the *contras* received more funds and materials, mostly through White House-controlled secret "private" channels, than in the previous three years when the CIA—covertly but legally—financed the movement. The *contra* army grew to nearly 15,000 men astride the border between Nicaragua and their Honduran sanctuary.

The value of aid received during the ban was approximately \$100 million in arms, ammunition, support services and cash. At least \$55 million came from private networks run by North and some funds are virtually certain to have come from illegal U.S. arms sales to Iran.

Between late 1981, when Reagan authorized aid to the *contras*, and the congressional cut-off in 1984, the CIA had provided slightly more than \$80 million, barely enough to keep the guerrillas going.

The Tower Commission did not account for all the money from the Iran arms sales or determine the exact sources of private funding. While much of the *contra* financing is believed to have come from foreign governments, some may have come, according to Nicaraguan informants, from political action committees in the United States. That would be illegal. The Tower commission alluded to this possibility, saying that information concerning North's contacts with political-action committees "will be available to congressional committees." Federal investigators are also looking into the possibility that funds raised for the *contras* may have been used in 1986 U.S. congressional elections against those opposing the guerrillas' cause, and will explore charges that the *contras* earned money from narcotics dealing.

The State Department, according to investigators, has played a much more active role than heretofore understood in championing the *contras'* cause during the ban on arms aid. Such activities would fall into a legal gray area; they may include use of the U.S. Embassy in Switzerland for European fund-raising in behalf of the *contras*, assistance to North in offshore banking arrangements and the expenditure of State Department funds to finance the lobbying of Congress by the *contras*.

But even as the Administration was trying to turn the *contras* into a viable force that could pose a serious military threat to the Sandinistas, the Administration was, on all levels, determined to control that force—its leadership and its conduct of the guerrilla war. *Contra* political and military chiefs alike were told that, in effect, they must take orders from Americans, whether CIA handlers or diplomats or officials in Washington.

They also soon learned that U.S. policies tend to change in terms of who is to be supported and who is to be dismissed—and that the Administration was never capable of making clear its ultimate objectives. This uncertainty, intelligence specialists suggest, may have contributed to the *contras'* failure to make any meaningful progress against the Sandinistas. A U.S. intelligence analyst said, "If they don't know why they are fighting, why should they risk their lives?"

Consider the anger of Adolfo Calero, head of the Nicaraguan Democratic Force (FDN), controlling the *contra* army in the field. He was forced out by the U.S. Administration in mid-February from the three-man directorate of the United Nicaraguan Opposition (UNO):

"First we are told that the official cover story for the armed opposition is that we're helping to interdict arms traffic from Nicaragua to leftist guerrillas in El Salvador," Calero said in March. "OK, so we went along with the story. Why not? Then the story became that our struggle was to force the Sandinistas to restore democracy. Then the story was that we were fighting to force the Sandinistas to negotiate with the opposition, including with us, the opposition in exile. In the end, we don't know what the Administration wants us to fight for."

Calero, who founded his FDN with U.S. support in 1983 and signed a unity pact with the Revolutionary Democratic Alliance (ARDE) of Alfonso Robelo in 1984, does not hide his resentment over the Administration's 1985 pressure to accept UNO as the political umbrella organization. The State Department had demanded that *contra* leadership be expanded and "liberalized" with the inclusion of Cruz, a banker who had served as ambassador to the United States for the Sandinista regime before breaking with it. The notion was that Calero was regarded as too conservative, that his army included too many officers from the prior Somoza regime and that the *contras* had to be made more appealing to Congress before it would lift the ban on direct U.S. military aid. Calero begrudgingly accepted Cruz but insisted on maintaining command of the *contra* army.

Cruz, for his part, also resented the Americans. He said in a March interview that he had been determined to run for president in the 1984 elections against Daniel Ortega, the Sandinista chief, because even in defeat he would be a brake on Sandinista totalitarian tendencies, especially if some of his supporters were elected to the National Assembly. But the opposition leadership in Managua, Cruz said, failed to register him in time as a candidate, despite his urgent requests from Rio de Janeiro where he was meeting with European socialists and Sandinista officials. Cruz suspects that the

CIA had a hand in preventing his friends from registering him, to demonstrate that Ortega would not allow opposition candidates.

Late last year, as the Iran-*contra* scandal broke and as the Administration became concerned over congressional willingness to disburse the remaining \$40 million for the *contras* from the \$100-million appropriation that marked the end of the cutoff, the State Department moved to dislodge Calero altogether.

By then, Cruz and Robelo had formed an alliance against Calero within the ruling directorate and new complex political maneuvering began by all participants, including Elliott Abrams, U.S. assistant secretary of state for inter-American affairs. Cruz had become Abrams' favorite and had been receiving a \$7,000 monthly subsidy from North since 1985. As the principal players in the *contras* operation, Abrams and North were in permanent contact and their arrangements included payment for UNO offices in Washington and Miami by a political group linked to North's Project Democracy.

When Calero refused to resign from UNO, Abrams persuaded Cruz to threaten his own resignation in order to bring unbearable pressure on his fellow Nicaraguan. Cruz, who no longer received the subsidy—it ended last November after North's dismissal—went along with this ploy. Calero met with Abrams in Washington in February, finally agreeing to quit UNO, but insisting on remaining FDN chief and urging the election of a new directorate by Nicaraguans in exile.

Calero's removal from UNO has been

deplored by many Nicaraguans as an illustration of "gringo power," the ability and custom of the United States, as one of them said, "to use us, then discard us in the garbage bin." Others remember how the CIA worked with Cuban exile leaders for the 1961 Bay of Pigs invasion in similar fashion, "treating us as servants."

Anger is on all sides. Cruz, Calero and other Nicaraguans privately refer to Americans as gringos, underlining a contempt for them as allies. U.S. officials, in turn, hold most Nicaraguan opposition politicians in similar contempt. Nicaraguan exile leaders hardly talk to each other—and bad-mouth one another to visitors.

Calero had been urged by American friends to invoke the Fifth Amendment before Lawrence E. Walsh, the independent counsel in the Iran-*contra* scandal. He decided to testify but would not explain that decision. A friend of his commented that "Adolfo was treated like dirt, and he doesn't want to be the fall guy for the gringos."

Given the mutual hostility, it is hard to figure out how the Administration will get along with Calero as chief of the *contra* army. Cruz, in turn, insists that he is through with UNO and Nicaraguan politics. In the end the *contras* are left without viable political leadership.

At the same time, the Administration must create a credible policy toward both the *contras* and Managua. There is rising pressure from Latin American allies for the United States to resume negotiations with Nicaragua in the context of the latest peace plan drafted by Costa Rica President Oscar Arias. There is the pressure from Congress for a halt to aid for the *contras*. And this month, a high-level Soviet mission visited Managua to promise more aid for the Sandinistas. Many diplomats believe that Soviet support was in fact triggered by the *contras*' build-up. Even Cruz thinks that the United States mounted military pressure on the Sandinistas four or five years too early: "You helped them to consolidate."

In December, 1981, Reagan signed a national intelligence "finding" establishing U.S. support for Nicaraguan "resistance forces." Now, more than five years later, this policy is lost—in a jungle of atrocious American mismanagement and in the thicket of a White House scandal still unfolding. □

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